Consolidated Balance Sheets

SOFTBANK INVESTMENT CORPORATION and Consolidated Subsidiaries

ASSETS CURRENT ASSETS: Cash and cash equivalents (Note 12) Time deposits Cash required to be segregated under regulations (Note 3) Account receivables—trade Operational investment securities (Note 4) Operational lowance for operational investment securities Operational loans receivable Trading assets (Notes 5 and 12) Trading assets (Notes 5 and 12) Alagin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) INVESTMENTS AND OTHER ASSETS:	3005 ¥106,460 2,904 188,150 1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401) 715,448	\$ 991,158 27,038 1,751,698 9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346 (3,735)
CURRENT ASSETS: Cash and cash equivalents (Note 12) Time deposits 61 Cash required to be segregated under regulations (Note 3) Account receivables—trade 95,608 Account receivables—trade Operational investment securities (Note 4) 17,676 Valuation allowance for operational investment securities (579) Operational loans receivable 155 Real estate inventory 787 Trading assets (Notes 5 and 12) 1,310 Margin transaction assets: Receivables from customers 168,485 Cash deposits as collateral for securities borrowed 12,558 Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets 356,799 PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 8,964	¥106,460 2,904 188,150 1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	2005 \$ 991,158 27,038 1,751,698 9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Cash and cash equivalents (Note 12) Time deposits 61 Cash required to be segregated under regulations (Note 3) Account receivables—trade Operational investment securities (Note 4) Valuation allowance for operational investment securities Operational loans receivable Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Lash secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) Assets—Net (Note 9) 8,964	2,904 188,150 1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	27,038 1,751,698 9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Time deposits Cash required to be segregated under regulations (Note 3) Account receivables—trade S84 Operational investment securities (Note 4) Valuation allowance for operational investment securities Operational loans receivable Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed La, 558 Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 1, 3, 93 LEASED ASSETS—Net (Note 9) 8, 964	2,904 188,150 1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	27,038 1,751,698 9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Cash required to be segregated under regulations (Note 3) Account receivables—trade Operational investment securities (Note 4) Valuation allowance for operational investment securities Operational loans receivable Real estate inventory 787 Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 17,956 18,964 LEASED ASSETS—Net (Note 9) 8,964	188,150 1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	1,751,698 9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Account receivables—trade Operational investment securities (Note 4) Operational investment securities (Note 4) Valuation allowance for operational investment securities Operational loans receivable Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) LEASED ASSETS—Net (Note 9) 8,964	1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Account receivables—trade Operational investment securities (Note 4) Operational investment securities (Note 4) Valuation allowance for operational investment securities Operational loans receivable Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) LEASED ASSETS—Net (Note 9) 8,964	1,013 39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	9,425 370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Valuation allowance for operational investment securities Operational loans receivable Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) A 9,900 LEASED ASSETS—Net (Note 9) 8,964	39,829 (463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	370,811 (4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Valuation allowance for operational investment securities Operational loans receivable Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) A 9,900 LEASED ASSETS—Net (Note 9) 8,964	(463) 8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	(4,309) 75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Operational loans receivable Real estate inventory 787 Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers 168,485 Cash deposits as collateral for securities borrowed 12,558 Loans secured by securities: Resale agreement transactions 13,545 Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 155 Real estate inventory 168,485 168,485 12,558 13,545 12,558 13,545 13,54	8,059 2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	75,032 26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Real estate inventory Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) A 3,393 LEASED ASSETS—Net (Note 9) 8,964	2,859 317,801 15,680 13,545 14 7,052 986 11,960 (401)	26,621 2,958,768 145,981 126,109 130 65,657 9,180 111,346
Trading assets (Notes 5 and 12) Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 1,310 1,	317,801 15,680 13,545 14 7,052 986 11,960 (401)	2,958,768 145,981 126,109 130 65,657 9,180 111,346
Margin transaction assets: Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	317,801 15,680 13,545 14 7,052 986 11,960 (401)	2,958,768 145,981 126,109 130 65,657 9,180 111,346
Receivables from customers Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	15,680 13,545 14 7,052 986 11,960 (401)	145,981 126,109 130 65,657 9,180 111,346
Cash deposits as collateral for securities borrowed Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts (205) Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	15,680 13,545 14 7,052 986 11,960 (401)	145,981 126,109 130 65,657 9,180 111,346
Loans secured by securities: Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	13,545 14 7,052 986 11,960 (401)	126,109 130 65,657 9,180 111,346
Resale agreement transactions Others Short-term guarantee deposits (Note 3) Deferred tax assets—current (Note 22) Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) Assets—Net (Note 9) 13,545 6,539 2,014 2,014 2,015 3,900 3,900 4,005 3,900 4,005 3,900 4,005 4,005 4,005 4,005 4,005 4,006 4,00	14 7,052 986 11,960 (401)	130 65,657 9,180 111,346
Others Short-term guarantee deposits (Note 3) 6,539 Deferred tax assets—current (Note 22) 2,014 Prepaid expenses and other current assets (Notes 3 and 7) 3,900 Allowance for doubtful accounts (205) Total current assets 356,799 PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	14 7,052 986 11,960 (401)	130 65,657 9,180 111,346
Short-term guarantee deposits (Note 3) 6,539 Deferred tax assets—current (Note 22) 2,014 Prepaid expenses and other current assets (Notes 3 and 7) 3,900 Allowance for doubtful accounts (205) Total current assets 356,799 PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	7,052 986 11,960 (401)	65,657 9,180 111,346
Deferred tax assets—current (Note 22) 2,014 Prepaid expenses and other current assets (Notes 3 and 7) 3,900 Allowance for doubtful accounts (205) Total current assets 356,799 PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	986 11,960 (401)	9,180 111,346
Prepaid expenses and other current assets (Notes 3 and 7) Allowance for doubtful accounts Total current assets 356,799 PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	11,960 (401)	111,346
Allowance for doubtful accounts (205) Total current assets 356,799 PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) 3,393 LEASED ASSETS—Net (Note 9) 8,964	(401)	
PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) LEASED ASSETS—Net (Note 9) 8,964		(3,/35)
PROPERTY AND EQUIPMENT—Net (Notes 8 and 12) LEASED ASSETS—Net (Note 9) 8,964	715.448	6,660,910
	4,715	43,898
INVESTMENTS AND OTHER ASSETS:	8,231	76,634
Investment securities (Notes 4 and 12) 17,749	11,686	108,797
Investments in unconsolidated subsidiaries and affiliated companies (Notes 10 and 25) Software, net of accumulated amortisation of ¥2,173 million and	807	7,511
¥3,599 million (\$33,508 thousand) at 31st March, 2004 and 2005, respectively 2,877	4,017	37,396
Rental deposits 2,150	4,323	40,251
Goodwill 15	1,581	14,720
Long-term trade receivables 4,415	2,824	26,287
Deferred tax assets—non-current (Note 22) 510	880	8,195
Other assets 2,016		31,303
Allowance for doubtful accounts (2,355)	3,362	(26,720)
Total investments and other assets 27,489	3,362 (2,870)	
TOTAL ¥396,645 ¥	3,362 (2,870) 26,610	247,740

See notes to consolidated financial statements.

	Millions of Yen 31st March		Thousands of U.S. Dollars (Note 1)	
ABILITIES AND SHAREHOLDERS' EQUITY	2004	2005	2005	
CURRENT LIABILITIES:				
Short-term borrowings (Notes 11 and 12)	¥ 9,630	¥ 8,732	\$ 81,292	
Current portion of long-term debt (Note 11)	2,625	11,759	109,475	
Income taxes payable	5,977	7,506	69,883	
Margin transaction liabilities:				
Payables to financial institutions (Notes 11 and 12)	126,722	238,766	2,222,943	
Proceeds of securities sold for customers' accounts	33,661	45,824	426,621	
Loans secured by securities—repurchase agreement transactions (Note 11)	3,714	1,165	10,850	
Consignment guarantee money received for margin transactions	84,111	151,652	1,411,898	
Customers' deposits as collateral for commodity futures (Note 7)	7,254	19,309	179,770	
Customers' deposits for securities transactions	7,631	15,427	143,630	
Unearned income (Note 13)	1,307	2,615	24,349	
Accrued expenses	1,708	2,654	24,708	
Contingent reserve	,	5,219	48,586	
Deferred tax liabilities—current (Note 22)	6	3,367	31,347	
Other current liabilities (Notes 5 and 11)	6,053	16,619	154,725	
Total current liabilities	290,399	530,614	4,940,077	
LONG-TERM LIABILITIES:				
Long-term debt, less current portion (Note 11)	23,400	36,000	335,164	
Negative goodwill	5,477			
Deferred tax liabilities—non-current (Note 22)	3,308	2,051	19,093	
Other long-term liabilities (Notes 14 and 15)	286	302	2,816	
Total long-term liabilities	32,471	38,353	357,073	
STATUTORY RESERVES (Note 16):				
Reserve for liability for securities transactions	1,267	2,523	23,493	
Reserve for liability for commodity transactions	1,207	2,323 152	1,415	
Total statutory reserves	1,371	2,675	24,908	
Total statutory reserves	1,571	2,073	24,500	
MINORITY INTERESTS	24,939	53,943	502,216	
SHAREHOLDERS' EQUITY (Notes 17, 18 and 30):				
Common stock—authorised, 9,064,000 shares in 2004 and 27,190,000 shares in 2005;				
issued, 2,321,227 shares in 2004 and 8,542,344 shares in 2005	8,393	34,765	323,668	
Capital surplus	27,092	53,467	497,780	
Retained earnings	9,772	33,377	310,745	
Unrealised gain on available-for-sale securities	2,399	7,633	71,065	
Foreign currency translation adjustments	25	416	3,874	
Treasury stock—at cost, 3,521 shares in 2004 and 11,083 shares in 2005	(216)	(239)	(2,224)	
Total shareholders' equity	47,465	129,419	1,204,908	
TOTAL	¥396,645	¥755,004	\$7,029,182	
TOTAL	+550,045	+7.55,004	<i>\$1,023,</i> 102	